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STANDARD OIL CASE IS WON BY UNITED STATES

Chief Justice White Reads Decision Whereby Government Sustains Legality of Anti-Trust Law.

REMEDY REMAINS FOR CONSIDERATION

Document is Voluminous One and States That Re-Organization of Big Concern Showed Restraint of Trade.

(By Evening Herald A. P. Leased Wire) Washington, May 15.—The supreme court this afternoon rendered a decision affirming the decree in the Standard oil case, thereby giving a complete victory to the government.

The decision, which was very voluminous, was read by Chief Justice White.

Chief Justice White declared that by a reorganization in New Jersey the Standard oil company gave prima facie evidence of a desire to control and monopolize the oil trade, and that a further investigation showed conclusively that there was a presumption of a combination in restraint of trade.

The other justice said the only question that remained for consideration was an adequate remedy.

At 4 o'clock Justice White began to deliver the opinion of the supreme court in the suit over the dissolution of the Standard oil organization.

It was Chief Justice White who had sent his voice to the refusal of the court to dissolve the so-called sugar trust when the famous Knight case was before the court. He also delivered a dissenting opinion when the Northern Securities company was dissolved by the court as being in violation of the Sherman anti-trust law.

Chief Justice White first went into an extensive recital of the facts in the case and then held that the court had jurisdiction over the suit, which had been instituted by the Standard oil company. Chief Justice White said from his bench that the contentions were as divergent as the ends of the earth. He spoke of a "Jungle of testimony and law." The only point in which the two sides were in accord was that the first and second sections of the Sherman anti-trust law controlled the case.

The chief justice said the court sat on this point as a basis on which to work out a decision.

Taking up the two sections, the chief justice began consideration of the law pertinent to each later to its application in the present case. He first took up the common law which dealt with the problems raised by the Sherman anti-trust law. He then analyzed the case and read the decision.

The decree of the lower court is modified in a few particulars which the chief justice declared were slight. Justice Hatchet announced that he would render a dissenting opinion.

The opinion holds that there need not be an absolute cessation of interstate commerce in petroleum and its products in such oil territories as are embraced in the Standard oil combination, a result which might arise from that portion of the decree which enjoins the carrying on of interstate commerce not only by the New Jersey corporation but by all subsidiary companies under dissolution of the combination through a transfer of its stock or agreement with the receiver.

The court also extends the time from one month to six months, in which the dissolution may take place.

The suit which called forth today's decision was instituted in 1903 in the United States circuit court for the Eastern district of Missouri. It was brought in the name of the United States. The immediate object was to dissolve the Standard Oil Company of New Jersey.

From the very beginning the business and the legal world recognized that the suit put the Sherman anti-trust law to the most severe test to which it had been subjected. The law had been on the statute books since 1890 and has been the basis of some 18 suits based upon by the supreme court of the United States. That the law was constitutional was accepted as settled in those decisions, but, simple as the words of the statute seemed, there was an absence of unanimity in regard to its interpretation. With that situation confronting the government and the defendants, the suit was begun with the general belief that the entire business world would feel the effect of the outcome of the gigantic struggle.

The government claimed that two

sections of the Sherman anti-trust law had been violated. The first section read as follows:

"Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several states, or with foreign nations, is hereby declared to be illegal."

The second section reads:

"Every person which subsequently was explained in the statute to include corporations who shall monopolize or attempt to monopolize or combine or conspire with any other person or persons, to monopolize any part of trade or commerce among the several states, or with foreign nations, shall be deemed guilty of a misdemeanor."

The Standard Oil Company of New Jersey, with 79 subsidiaries corporations, John D. Rockefeller, William Rockefeller, Henry M. Flagler, Henry J. Rogers, John D. Archbold, Oliver H. Payne and Charles M. Pratt, defendants in the suit, denied the charges.

Months were spent in gathering evidence. The general line of attack as shown by evidence presented by the government was this. It claimed that about 1878 the Rockefellers and Flagler conceived the idea of controlling the petroleum trade of the country, and a little later entered into a conspiracy with Rogers, Archbold, Payne and Pratt to gain a control of the oil business.

To carry out the alleged conspiracy, it was claimed, they first "peeled" their interest, then put them into the bonds of trusts or "trusts" and finally, when the trust of 1882 was declared void in a decision by the Ohio supreme court in a proceeding against the Standard Oil Company of Ohio, reorganized the Standard Oil Company of New Jersey to take over their interests and to secure a monopoly.

Evidence of robbing of price cutting and of the organization of secret conferences as independents was elicited to show that the Standard was seeking by unfair means to restrain trade and to procure a monopoly.

Standard Oil introduced evidence to show that there had never been such a conspiracy. It sought to prove that the Ohio supreme court did not hold the trust agreement of 1882 void but merely required the Standard Oil Company of Ohio to withdraw from the "trust." Evidence was produced to show that resulting had been the order of the day among all commercial concerns, that price cutting and secret conferences were not the rule and were used as legitimate instruments of competition.

The circuit court held that the reorganization of New Jersey in 1889 was not only a violation of the first section of the act, which referred to restraints of trade, but also of the second section, which applied to monopolies.

The Standard Oil had argued that there could be no additional restraint as a result of the reorganization because the Standard Oil Company of New Jersey was owned by a common body of owners in exactly the same proportion that all the subsidiary companies taken over by this new organization had been held by those common owners for years past.

The court held otherwise and said that the combination in a single corporation or person, by an exchange of stock, or the power of many stockholders holding the same proportion respectively of the majority of the

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BIG LABOR LEADERS GET A REVERSAL OF SENTENCES TO PRISON

Gompers, Mitchell and Morrison Win Long Drawn Out Fight Against Bucks Stove and Range Company

CONTEMPT CASES ARE CIVIL NOT CRIMINAL

These Men Can Be Fined the Court Holds But They Cannot Be Jailed for Disobeying Orders of Judiciary.

(By Evening Herald A. P. Leased Wire)

Washington, May 15.—Setting aside the sentences of imprisonment imposed by the supreme court of the District of Columbia for alleged disobedience to a boycott injunction, the supreme court of the United States today held that Samuel Gompers, John Mitchell and Frank Morrison, president, vice-president and secretary, respectively, of the American Federation of Labor, and Leonidas Payne, treasurer, were not subject to jail if they failed to pay a fine of \$100 imposed by the court.

In addition to the "urgent appeal," in which Mr. Mitchell joined, he was accused of having acted in contempt in exceeding fees in the United Mine Workers' convention when it adopted a resolution to fine any member who bought a Buck's stove.

In addition to the "urgent appeal," charge against Mr. Morrison, he was also accused of having maligned the magazine objected to.

Distinguished counsel appeared on both sides when the case was argued before the supreme court. Justice Alton T. Parker, former presidential candidate, who had been retained to defend the labor leaders. His principal argument was that the injunction was an improper interference with the constitutional right of free speech and a free press. He further contended that the injunction decree was valid, at least in parts, and that his clients could not be held under the statutes for violating a void decree.

Enough of all the differences between the labor men and the Bucks Stove and Range company have been adjudicated, including the "boycott" case, out of which the contempt proceedings arose, today's decision is probably the last to be heard of this tumultuous action.

The court unanimously held that the only sentences that could be imposed on the labor leaders were fines, ruling that the court of appeals and supreme court of the District of Columbia erred in treating the contempt proceedings as a criminal case and not as a civil one.

The effect of holding the proceeding a civil one was to make jail sentences impossible.

The charges of contempt against President Gompers, Vice-President Mitchell and Secretary Morrison arose out of a bitter labor war between organized labor and the Bucks Stove and Range company of St. Louis.

The St. Louis concern had come into the supreme court of the District of Columbia to prevent, by injunction, the American Federation of Labor and its officials from boycotting its own products or the business of those who dealt with it. The questions involved and the parties concerned attracted widespread attention.

The company claimed that the Federation was trying to unionize the company's shop. The labor leaders argued that the company was "unfair" to labor. The head of the company was J. W. Van Cleave, president of the National Manufacturers' association, which had often come into conflict with the Federation. He was charged with having been opposed to organized labor and with having sought to put his nickel plate workers on a ten-hour instead of a nine-hour basis.

Justice Gould of the district supreme court issued the injunction prayed for by the company. An appeal was taken to the court of appeals of the District of Columbia, but before that court could pass upon the validity of the injunction the Bucks Stove and Range company again came into the district supreme court, this time with charges of contempt against President Gompers, Vice-President Mitchell and Secretary Morrison.

These men were accused of having violated the injunction decree.

The court also affirmed the contempt sentence imposed on William Tressler of New York, secretary of the Lichtenstein Millinery company, who had also refused to produce books under circumstances similar to those on the Wilson case.

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